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DEPARTMENT OF EDUCATION

34 CFR Chapter III

[Docket ID ED-2014-OSERS-0022]

Proposed Priority--National Institute on Disability and Rehabilitation Research--Rehabilitation Research and Training Centers

[CFDA Number: 84.133B-5.]

AGENCY: Office of Special Education and Rehabilitative Services, Department of Education.

ACTION: Proposed priority.

SUMMARY: The Assistant Secretary for Special Education and Rehabilitative Services proposes a priority for the Rehabilitation Research and Training Center (RRTC) Program administered by the National Institute on Disability and Rehabilitation Research (NIDRR). Specifically, this notice proposes a priority for an RRTC on Improving Employment Outcomes for Individuals with Psychiatric Disabilities. We take this action to focus research attention on an area of national need. We intend this priority to contribute to improved employment outcomes for individuals with psychiatric.

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

- Federal eRulemaking Portal: Go to [www.regulations.gov](http://www.regulations.gov) to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "Are you new to the site?"

- Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about these proposed regulations, address them to Patricia Barrett, U.S. Department of Education, 400 Maryland Avenue, SW., room 5142, Potomac Center Plaza (PCP), Washington, DC 20202-2700.

Privacy Note: The Department's policy is to make all comments received from members of the public available for

public viewing in their entirety on the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov). Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Patricia Barrett.

Telephone: (202) 245-6211 or by email:

[patricia.barrett@ed.gov](mailto:patricia.barrett@ed.gov).

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

This notice of proposed priority is in concert with NIDRR's currently approved Long-Range Plan (Plan). The Plan, which was published in the Federal Register on April 4, 2013 (78 FR 20299), can be accessed on the Internet at the following site:

[www.ed.gov/about/offices/list/opers/nidrr/policy.html](http://www.ed.gov/about/offices/list/opers/nidrr/policy.html).

The Plan identifies a need for research and training regarding employment of individuals with disabilities. To address this need, NIDRR seeks to: (1) improve the quality and utility of disability and rehabilitation research; (2) foster an exchange of research findings, expertise, and other information to advance knowledge and understanding of the needs of individuals with disabilities

and their family members, including those from among traditionally underserved populations; (3) determine effective practices, programs, and policies to improve community living and participation, employment, and health and function outcomes for individuals with disabilities of all ages; (4) identify research gaps and areas for promising research investments; (5) identify and promote effective mechanisms for integrating research and practice; and (6) disseminate research findings to all major stakeholder groups, including individuals with disabilities and their family members in formats that are appropriate and meaningful to them.

This notice proposes one priority that NIDRR intends to use for one or more competitions in fiscal year (FY) 2014 and possibly later years. NIDRR is under no obligation to make an award under this priority. The decision to make an award will be based on the quality of applications received and available funding. NIDRR may publish additional priorities, as needed.

Invitation to Comment: We invite you to submit comments regarding this proposed priority. To ensure that your comments have maximum effect in developing the final priority, we urge you to identify clearly the specific topic within the priority that each comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866 and 13563 and their overall requirement of reducing regulatory burden that might result from this proposed priority. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about this proposed priority in room 5133, 550 12th Street, SW., PCP, Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays. Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Purpose of Program: The purpose of the Disability and Rehabilitation Research Projects and Centers Program is to plan and conduct research, demonstration projects,

training, and related activities, including international activities, to develop methods, procedures, and rehabilitation technology that maximize the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities, especially individuals with the most severe disabilities, and to improve the effectiveness of services authorized under the Rehabilitation Act of 1973, as amended (Rehabilitation Act).

#### Rehabilitation Research and Training Centers

The purpose of the RRTCs, which are funded through the Disability and Rehabilitation Research Projects and Centers Program, is to achieve the goals of, and improve the effectiveness of, services authorized under the Rehabilitation Act through well-designed research, training, technical assistance, and dissemination activities in important topical areas as specified by NIDRR. These activities are designed to benefit rehabilitation service providers, individuals with disabilities, family members, policymakers and other research stakeholders. Additional information on the RRTC program can be found at:

[http://www2.ed.gov/programs/rrtc/index.html#types.](http://www2.ed.gov/programs/rrtc/index.html#types)

Program Authority: 29 U.S.C. 762(g) and 764(b)(2).

Applicable Program Regulations: 34 CFR part 350.

PROPOSED PRIORITY:

This notice contains one proposed priority.

RRTC on Improving Employment Outcomes for Individuals with  
Psychiatric Disabilities.

Background:

According to the Substance Abuse and Mental Health Services Administration's (SAMHSA's) 2011 National Survey on Drug Use and Health (SAMHSA, 2011a), an estimated 19.6 percent of all adults age 18 and older had a mental illness. An estimated 5 percent had a serious mental illness (i.e., "a diagnosable mental, behavioral, or emotional disorder (excluding developmental and substance use disorders) of sufficient duration to meet diagnostic criteria specified within the 4th edition of the *Diagnostic and Statistical Manual of Mental Disorders* (DSM-IV) (American Psychological Association, 1994) and that has resulted in serious functional impairment that substantially interferes with or limits one or more major life activities"), including employment.

Mental illness has a pronounced negative effect on employment. Both internal and external factors, e.g., stigma, discrimination, co-occurring conditions such as

substance abuse, and medications used in treating mental health conditions contribute to poor employment outcomes.

According to a recent report, only 17 percent of individuals who received publicly funded mental health services were employed (SAMHSA, 2011b). Individuals with mental illness represent the largest disability group receiving public income support and they are least likely to achieve successful employment outcomes after vocational rehabilitation (Cook, 2006). Between 1996 and 2009, the number of Social Security Disability Insurance (SSDI) beneficiaries with a primary diagnosis of "Other Mental Disorders" increased 38 percent (Frey et al., 2011). In 2012, SSDI beneficiaries with a primary diagnosis of "Mood Disorders," "Schizophrenic and Other Psychotic disorders," or "Other Mental Disorders" accounted for 23 percent of SSDI beneficiaries (Social Security Administration, 2012). For those individuals with mental illness who are employed, mental illness is associated with decreased productivity and job retention (Cook, 2006; Lerner et al., 2012).

Supported employment has been demonstrated to be an effective intervention and has improved employment outcomes for individuals with mental illness (Campbell et al., 2009; Cook et al., 2005; Drake et al., 2012; Frey et al., 2011). However, supported employment frequently results in only



part-time employment, and earnings are typically insufficient to maintain self-sufficiency (Cook et al., 2008). Supported employment requires collaboration across agencies (e.g., mental health services, and vocational rehabilitation services) that are difficult and costly to implement (Cook, 2006; Frey, 2011). NIDRR's collaborator on this priority, SAMHSA, plans to award its own grants in 2014 to behavioral health State agencies to enhance State and community capacity to provide evidence-based, supported employment programs that will target adults with serious mental illnesses, including persons with co-occurring mental illness and substance abuse disorders.

The evidence base for other interventions that may improve employment outcomes for individuals with psychiatric disabilities is limited. Recent research has focused on additional or alternative interventions, including but not limited to, cognitive remediation (McGurk et al, 2009), consumer-provided services (Doughty & Tse, 2005), and interdisciplinary work-focused care (Lerner et al, 2012). Further research is needed in order to improve employment outcomes of individuals with psychiatric disabilities (also referred to as mental illness) and to address the barriers they face in obtaining, retaining, and advancing in meaningful competitive employment.

## References:

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Definitions:

The research that is proposed under this priority must be focused on one or more stages of research. If the RRTC is to conduct research that can be categorized under more than one research stage, or research that progresses from one stage to another, those research stages must be clearly specified. For purposes of this priority, the stages of research are from the notice of final priorities and definitions published in the Federal Register on June 7, 2013 (78 FR 34261).

(a) Exploration and Discovery means the stage of research that generates hypotheses or theories by conducting new and refined analyses of data, producing observational findings, and creating other sources of research-based information. This research stage may include identifying or describing the barriers to and facilitators of improved outcomes of individuals with disabilities, as well as identifying or describing existing practices, programs, or policies that are associated with important aspects of the lives of individuals with

disabilities. Results achieved under this stage of research may inform the development of interventions or lead to evaluations of interventions or policies. The results of the exploration and discovery stage of research may also be used to inform decisions or priorities.

(b) Intervention Development means the stage of research that focuses on generating and testing interventions that have the potential to improve outcomes for individuals with disabilities. Intervention development involves determining the active components of possible interventions, developing measures that would be required to illustrate outcomes, specifying target populations, conducting field tests, and assessing the feasibility of conducting a well-designed interventions study. Results from this stage of research may be used to inform the design of a study to test the efficacy of an intervention.

(c) Intervention Efficacy means the stage of research during which a project evaluates and tests whether an intervention is feasible, practical, and has the potential to yield positive outcomes for individuals with disabilities. Efficacy research may assess the strength of the relationships between an intervention and outcomes, and may identify factors or individual characteristics that

affect the relationship between the intervention and outcomes. Efficacy research can inform decisions about whether there is sufficient evidence to support “scaling-up” an intervention to other sites and contexts. This stage of research can include assessing the training needed for wide-scale implementation of the intervention, and approaches to evaluation of the intervention in real world applications.

(d) Scale-Up Evaluation means the stage of research during which a project analyzes whether an intervention is effective in producing improved outcomes for individuals with disabilities when implemented in a real-world setting. During this stage of research, a project tests the outcomes of an evidence-based intervention in different settings. It examines the challenges to successful replication of the intervention, and the circumstances and activities that contribute to successful adoption of the intervention in real-world settings. This stage of research may also include well-designed studies of an intervention that has been widely adopted in practice, but that lacks a sufficient evidence-base to demonstrate its effectiveness.

Proposed Priority:

The Assistant Secretary for Special Education and Rehabilitative Services proposes a priority for an RRTC on

Improving Employment Outcomes for Individuals with Psychiatric Disabilities. This priority will be jointly funded by NIDRR and the Substance Abuse Mental Health Services Administration (SAMHSA). For the purposes of this priority, "employment outcomes" may refer to, but are not limited to, obtaining employment, job retention, job advancement, or compensation. The RRTC must contribute to improving the employment outcomes of individuals with psychiatric disabilities by:

(a) Conducting well-designed research activities, with an emphasis on promising practices with currently limited evidence bases, in one or more of the following priority areas, focusing on individuals with psychiatric disabilities as a group or on individuals with a specific disability or on demographic subpopulations of individuals with psychiatric disabilities:

(1) Technology to improve employment outcomes for individuals with psychiatric disabilities.

(2) Individual, work environment, or employer factors associated with improved employment outcomes for individuals with psychiatric disabilities.

(3) Interventions that contribute to improved employment outcomes for individuals with psychiatric disabilities. Interventions include any strategy,



practice, program, policy, or tool that, when implemented as intended, contributes to improvements in employment outcomes for individuals with psychiatric disabilities, and may include interventions focused on individuals, families, employers, or service providers.

(4) Effects of current or modified government practices, policies, and programs on employment outcomes for individuals with psychiatric disabilities;

(b) Focusing its research on one or more specific stages of research. If the RRTC is to conduct research that can be categorized under more than one of the research stages, or research that progresses from one stage to another, those stages should be clearly specified.

Note: Those stages and their definitions are provided in the Definitions section in this notice; and

(c) Serving as a national resource center related to employment for individuals with psychiatric disabilities, their families, and other stakeholders by conducting knowledge translation activities that include, but are not limited to:

(1) Providing information and technical assistance to employment service providers, mental health service providers, employers, individuals with psychiatric disabilities and their representatives, and other key

stakeholders. These activities will include providing technical assistance on evidence-based, supported employment to SAMHSA grantees that are awarded funds in FY 2014 to enhance State and community capacity to provide supported employment programs targeting adults with serious mental illnesses, including persons with co-occurring mental illness and substance abuse disorders.

(2) Providing training, including graduate, pre-service, and in-service training, to vocational rehabilitation and other employment service providers, to facilitate more effective delivery of employment services to individuals with psychiatric disabilities. This training may be provided through conferences, workshops, public education programs, in-service training programs, and similar activities.

(3) Disseminating research-based information and materials related to increasing employment levels for individuals with psychiatric disabilities.

(4) Involving key stakeholder groups in the activities conducted under paragraph (a) of this priority to promote the new knowledge generated by the RRTC.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority

as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

Final Priority:

We will announce the final priority in a notice in the Federal Register. We will determine the final priority after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing additional priorities,

requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use this priority, we invite applications through a notice in the Federal Register.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing this proposed priority only upon a reasoned determination that its benefits would justify its costs. In choosing among alternative regulatory

approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Department believes that this proposed priority is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs and activities.

The benefits of the Disability and Rehabilitation Research Projects and Centers Program have been well established over the years. Projects similar to one envisioned by the proposed priority have been completed successfully, and the proposed priority would generate new knowledge through research. The new RRTC would generate, disseminate, and promote the use of new information that would improve outcomes for individuals with disabilities in

the areas of community living and participation, employment, and health and function.

Intergovernmental Review: This program is not subject to Executive Order 12372 and the regulations in 34 CFR part 79.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) by contacting the Grants and Contracts Services Team, U.S. Department of Education, 400 Maryland Avenue, SW., room 5075, PCP, Washington, DC 20202-2550. Telephone: (202) 245-7363. If you use a TDD or TTY, call the FRS, toll free, at 1-800-877-8339.

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Dated: March 21, 2014.

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Michael K. Yudin,  
Acting Assistant  
Secretary for  
Special Education and  
Rehabilitative Services.

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